(v) A Steel Exporters Forum has been set up to help steel exporters overcome bottlenecks in exports.

(vi) Enhanced project financing to steel sector by All India Financial Institutions and relaxation of ECB norms has been strongly recommended.

(vii) Government has set up an Empowered Committee to examine and assist specific Research and Development Projects to improve technology for steel making and enhance quality of Indian Steel.

Recession in Steel Industry

123. SHRI JANESHWAR MISRA:
SHRI S.M. KRISHNA:
SHRI AMAR SINGH:

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the steel industry is passing through deep recession, if so, the reasons therefor; and

(b) the steps Government have taken in the last six months to revive the industry and the details of achievements made in this regard?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) Several factors have contributed to the present slow down of the steel sector. Some of these factors are:

(i) Sluggish demand in the steel consuming sectors especially infrastructure and industrial production.

(ii) Overall economic slow down in the country.

(iii) Cost escalations in input materials for steel industry.

(iv) Continuous increase in excise duty on steel.

(v) Dumping of finished steel from CIS and other countries.

(vi) Adverse conditions in export market for steel.

(vii) Decline in domestic and international prices.

(b) The details of the steps taken by the Government and some of the results achieved to enable the steel industry to overcome the present problems are as under:—

(i) To boost the demand and consumption of steel, the Development Commissioner for Iron and Steel (DCI&S) has launched a National Campaign for increasing the demand for steel, especially in non-traditional sectors, such as rural and agro based industrial sector.

(ii) Reduction in input costs for steel making was strongly recommended. Recently the special import duty on several inputs such as coking coal (ash content<12%) non-coking coal (ash content <12%) metallurgical coke, ferro nickel, charge nickel and nickel oxide sinters, low silica limestone and graphite electrodes (>28") has been waived.

(iii) Strengthening of anti-dumping mechanism was strongly recommended. An anti-dumping petition was filed by M/s SAIL and M/s Essar Steel Ltd., on behalf of the domestic steel producers alleging dumping of HR Coils/Sheets/Plates from Russia, Ukraine and Kazakistan. The Designated Authority vide their notification dated 18th November, 1998 has reccommended imposition of Anti-dumping duties on imports from Russia & Ukraine, which shall be the difference between the amount mentioned in column 3 below and the landed price of imports per MT subject to a minimum of Rs. 481 per MT.

S. No.	Item Description	Amount (Rs. per MT)
1.	Hot Rolled Coils	14300
2.	Hot Rolled Strips/Sheets/Plates	15000
3.	Boiler Quality Plates	22000

(iv) Rationalisation of Duty Entitlement Pass Book (DEPB) rates for steel exports have been carried out to boost exports.

(v) A Steel Exporters' Forum has been set up to help steel exporters overcome bottlenecks in exports.

(vi) Enhanced project financing to steel sector by All India Financial Institutions and relaxation of ECB norms has been strongly recommended.